

THE MINISTER OF STATE OF THE MINISTRY OF LAW AND JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c) There are no Government-to-Government funding arrangements for the training of Indian medical students in the United States. It is learnt that the US Government may be cutting back its funding to its own medical institutions. No specific representations from Indian medical graduates in the US have been received by Government regarding any impact on them.

(d) Does not arise.

Transparency International

6223 SHRI SANAT KUMAR MANDAL : Will the FINANCE Minister be pleased to state:

(a) whether the attention of the Government has been drawn to the news item captioned "It lists India 9th corrupt nation" appearing in 'The Hindustan Times', New Delhi dated January 7, 1997;

(b) if so, the genesis of the findings of the Transparency International (TI) as reported in the above news-items;

(c) the reaction of the Government thereto; and

(d) the effective measures have been or being taken to countenance this alarming situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDER KUMAR) : (a) to (d) The news-item published in the Hindustan Times dated January 7, 1997 refers to a report printed in the Wall Street Journal (USA) originating from a Berlin based institution called "Transparency International (TI)" with chapters in more than 60 countries. The news-item states that TI puts out yearly corruption rankings for nations. The rankings are based on the level of corruption perceived by employees of multinational firms and institutions.

All cases related with corruption are dealt with as per established law of the land.

Central Assistance

6224 SHRI DHARMA BHIKSHAM : Will the PRIME MINISTER be pleased to state :

(a) whether Government of Andhra Pradesh sought any assistance from the Union Government to improve drinking water and sewerage problem in Hyderabad;

(b) if so, the details therefor; and

(c) the steps taken so far in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF URBAN AFFAIRS AND EMPLOYMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR U. VENKATESWARLU) : (a) No, Sir. However, under the Centrally sponsored scheme for infrastructure development in Mega cities, the Hyderabad Urban Development Authority, nodal agency for the scheme,

has got water supply and sewerage schemes amounting to Rs. 100 crores approved by the State Level Project Sanctioning Committee. Upto 1996-97, a sum of Rs. 53.49 crores has been released to Hyderabad Urban Development Authority (HUDA) under the Mega City Scheme.

(b) and (c) The Government of Andhra Pradesh has requested the Central Government in December, 1996 for obtaining external assistance from the World Bank for the proposed II Hyderabad Water Supply and Sanitation Project at an estimated cost of Rs. 1488.40 crores. The project includes treatment and transmission of water from Krishna river, rehabilitation and strengthening of the existing water supply distribution and sewerage systems, low cost sanitation, etc. The proposal has been recommended by the Union Government to the World Bank in January, 1997. The World Bank has since advised the State Government to respond to various issues concerning preparation of the project.

Right of Shareholders for inclusion as Director in Companies

6225 SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government propose to provide the rights to shareholders in appointing Directors in companies;

(b) if so, the details thereof;

(c) whether some representations have been received by the Union Government in this regard;

(d) if so, the details thereof; and

(e) the action taken by the Union Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Companies Act, 1956 already provides for appointment of Directors with the approval of the shareholders in the General Meeting. Further, Section 257 of the Act stipulates that a person who is not a Director retiring by rotation, shall be eligible for appointment to the office of the Director at a General meeting, if he or some Member intending to propose his name gives notice to that effect not less than fourteen days before the meeting.

(c) to (e) The Working Group set up by the Government to re-write the Companies Act, 1956 has suggested (Vide Section 215) in its Working Draft of the Companies Bill, 1997, submitted to Government recently that any person offering himself for the position of Director while giving notice to this effect shall also deposit Rs. 50,000 which shall be forfeited if he fails to get even one per cent of the votes of the shareholders present and voting at the meeting. The Working Draft of the Companies Bill, 1997 has already been released for public debate. Comments and representations received in the Working Draft will be considered by the Government before finalising the Government Bill to be submitted to the Parliament.